

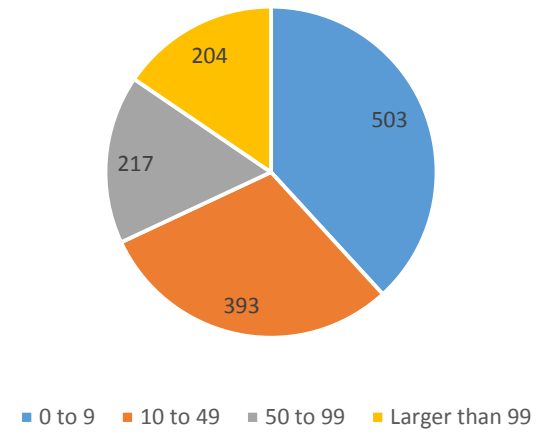
## Employer Health Insurance Survey

Mouhcine Guettabi,Phd  
Assistant Professor of Economics  
Institute of Social and Economic Research  
University of Alaska Anchorage

# Survey of Alaska Businesses

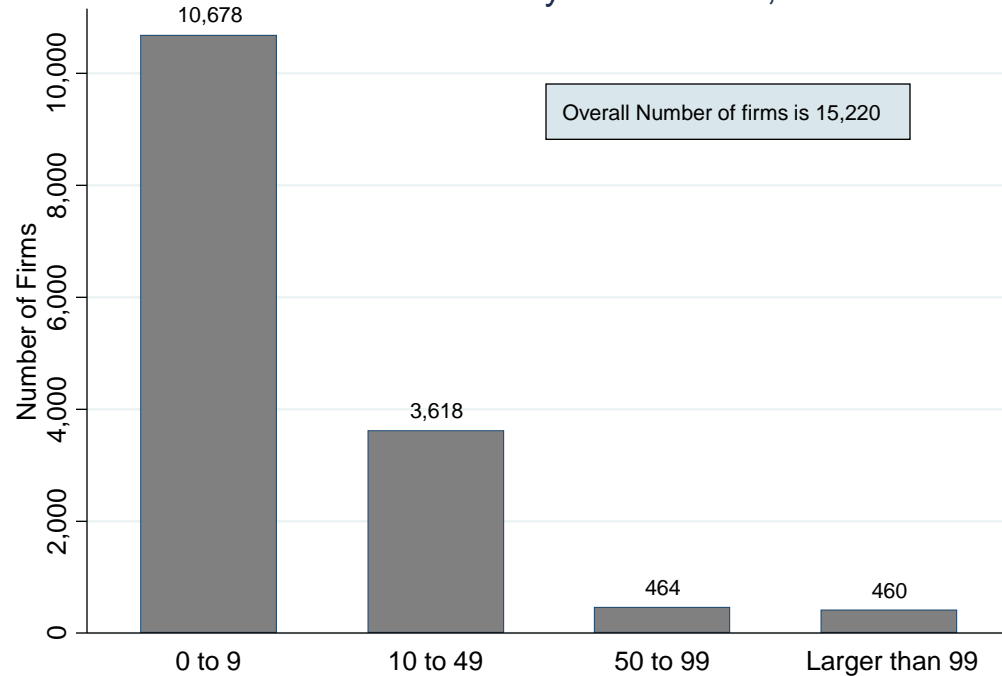
Size Class	Number of Respondents	Survey Sample	Universe of Firms
0 to 9	503	1,194	10,678
10 to 49	393	810	3,618
50 to 99	217	464	464
Larger than 99	204	460	460
Total	1,317	2,928	15,220

Respondents By Size

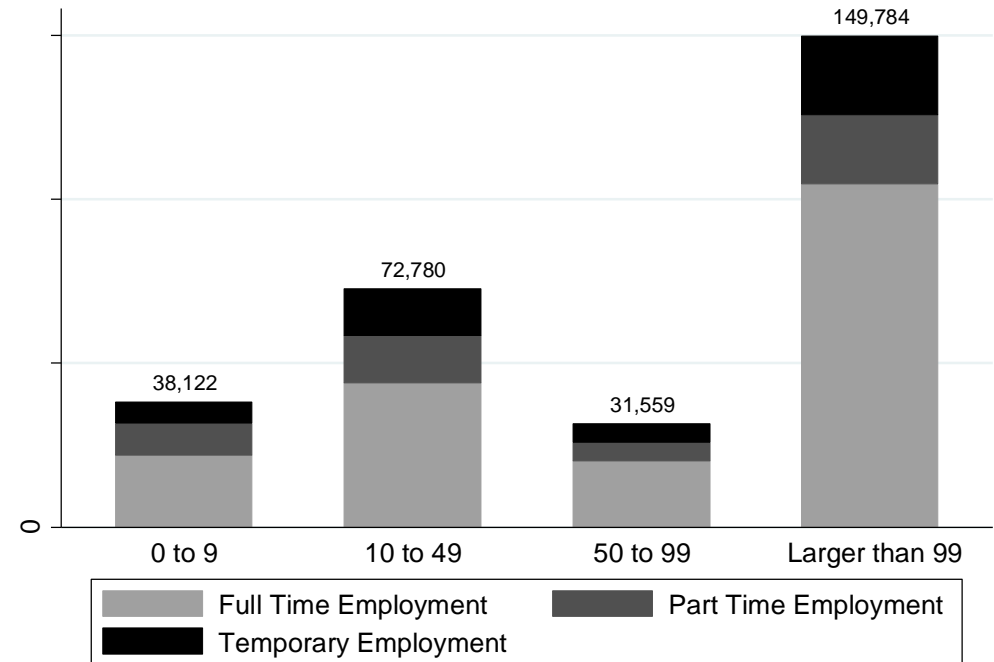


## Composition of the Alaska Economy

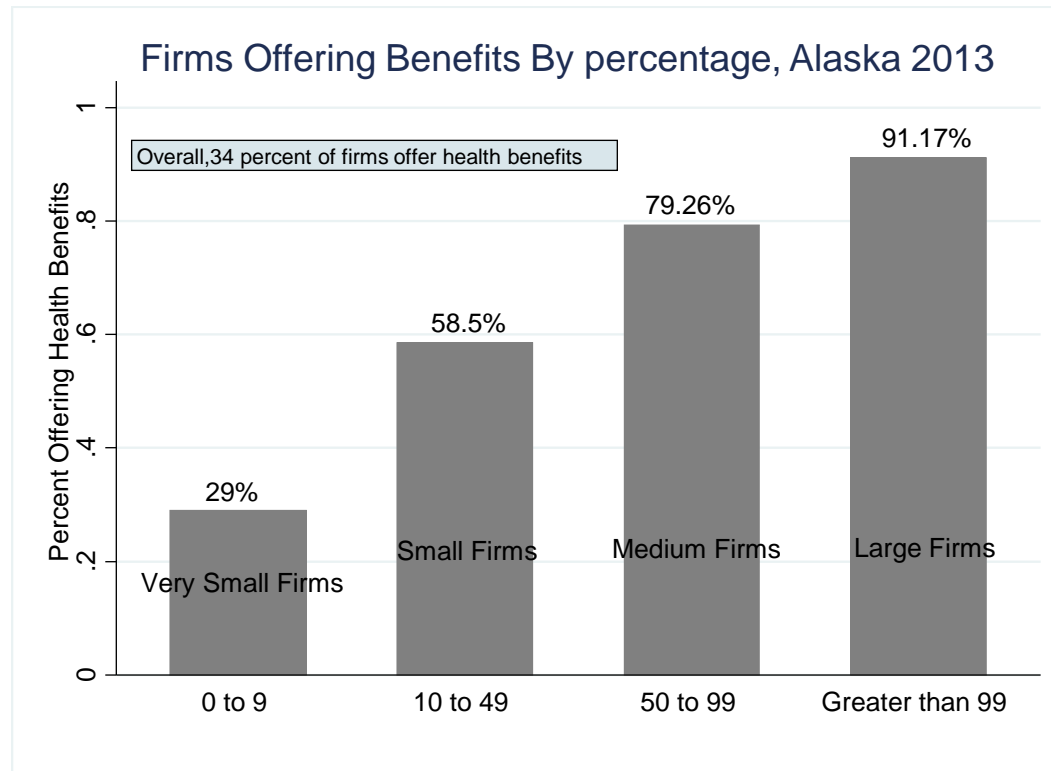
Number of Firms By Size Alaska, 2013



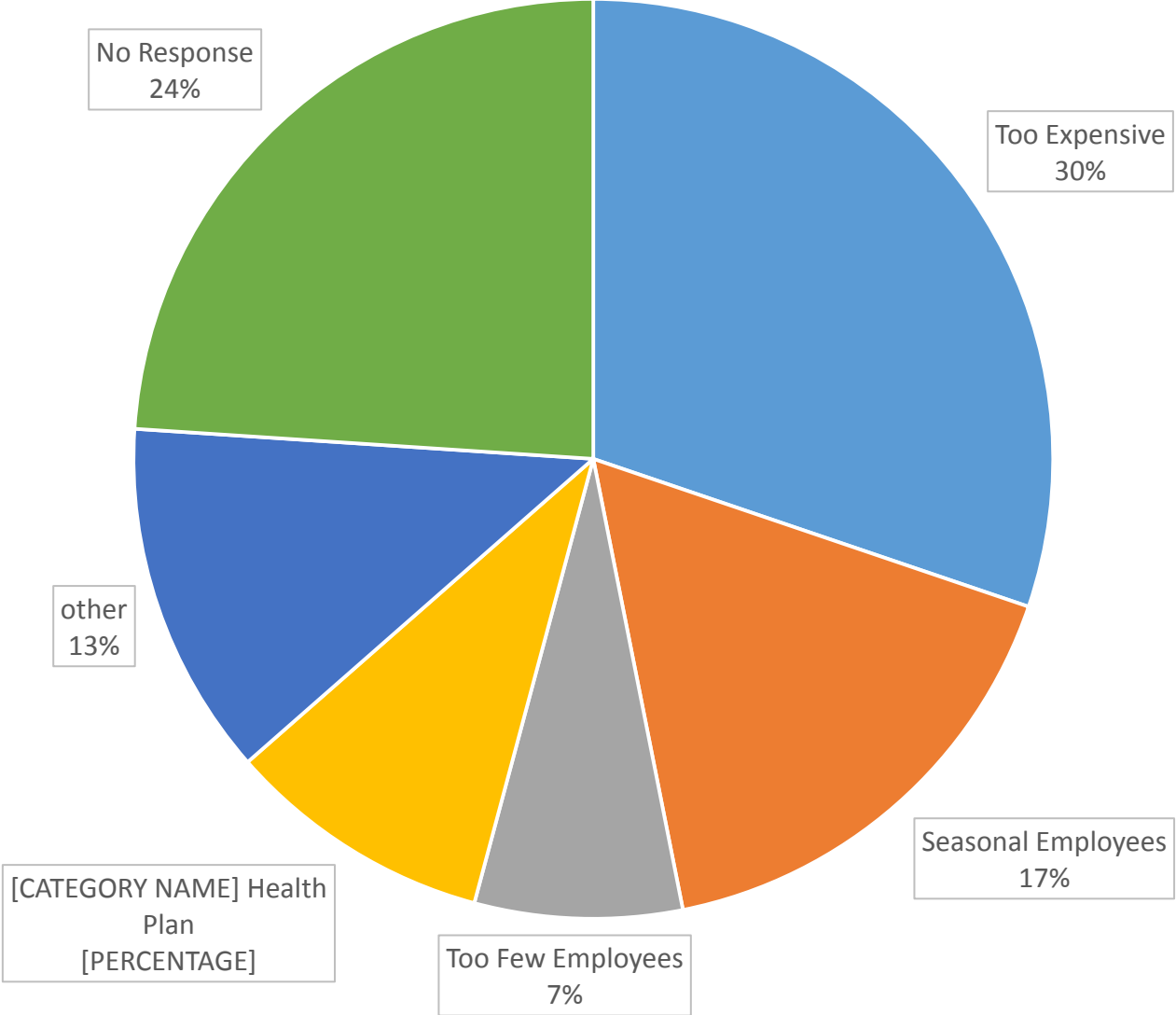
Overall Employment By Firm size and job type, Alaska 2013



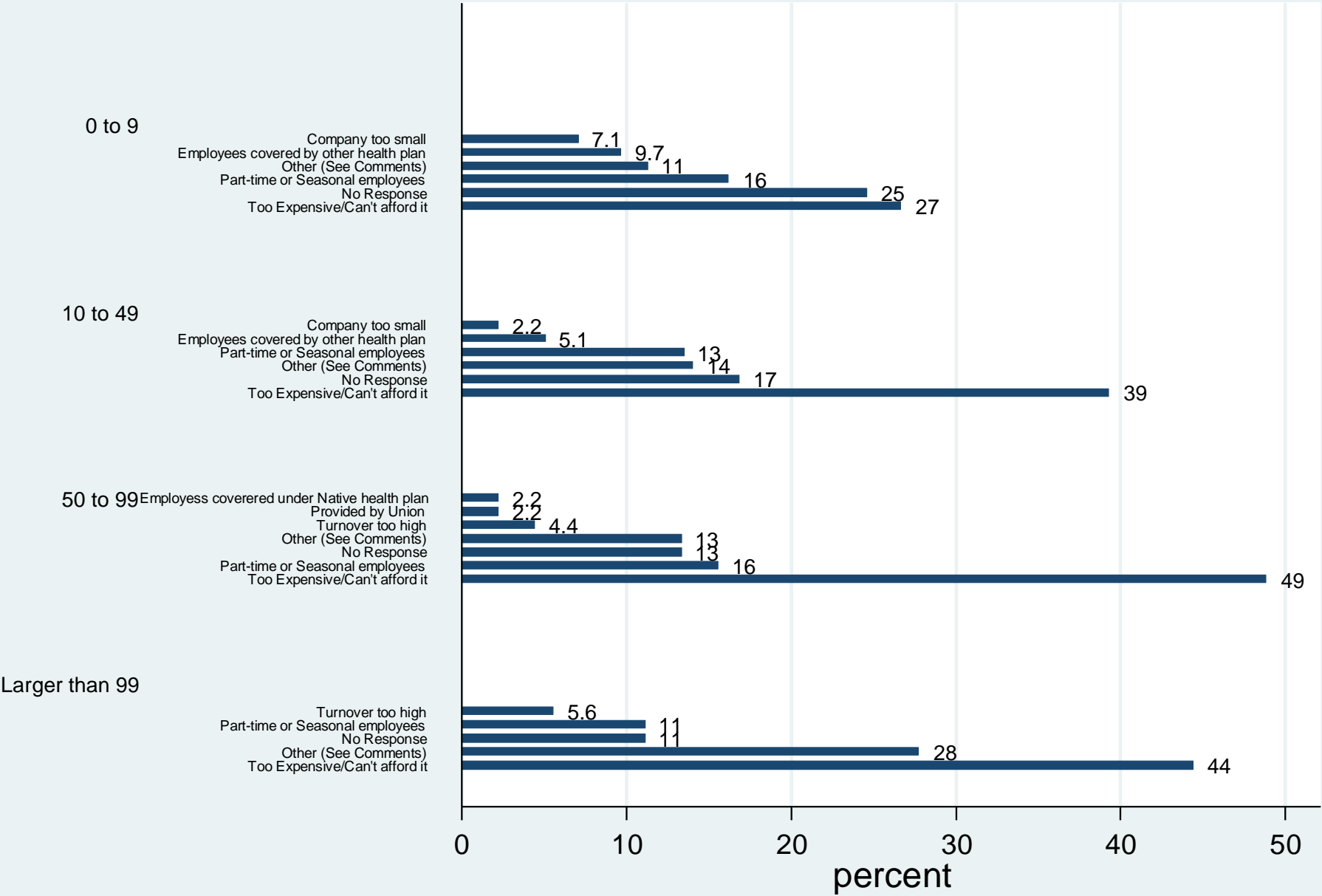
## Size and Benefit Offering



# Main Reasons for Not offering Health Benefits



# Main Reasons for Not Offering Health Benefits By Size



## Cost of Insurance is important irrespective of size

Size of The Firms	Number of Firms That Did Not Offer Insurance	Too Expensive	Seasonal Employees	Other	Too Few Employees	No Response	Employees Covered By Other Health Plans
0 to 9	7,578	0.27	0.16	0.12	0.08	0.25	0.10
10 to 49	1,500	0.39	0.13	0.14	0.04	0.17	0.07
50 to 99	95	0.49	0.16	0.13	0.02	0.13	0.04
100 +	36	0.44	0.11	0.28	0.00	0.11	0.06
<b>Total</b>	<b>9,209</b>	<b>0.29</b>	<b>0.16</b>	<b>0.12</b>	<b>0.07</b>	<b>0.23</b>	<b>0.09</b>

## Snapshot of some of the other reasons for not offering Health benefits

-we are a contract Gov't facility and we do not get compensated for medical .

we have few employees. We are awarded contracts as lowest bid. When you have to have the lowest bid, no benefits are provided .

-my employees are all young and would rather have higher wages then insurance benefits. Some of them purchase their own health insurance.

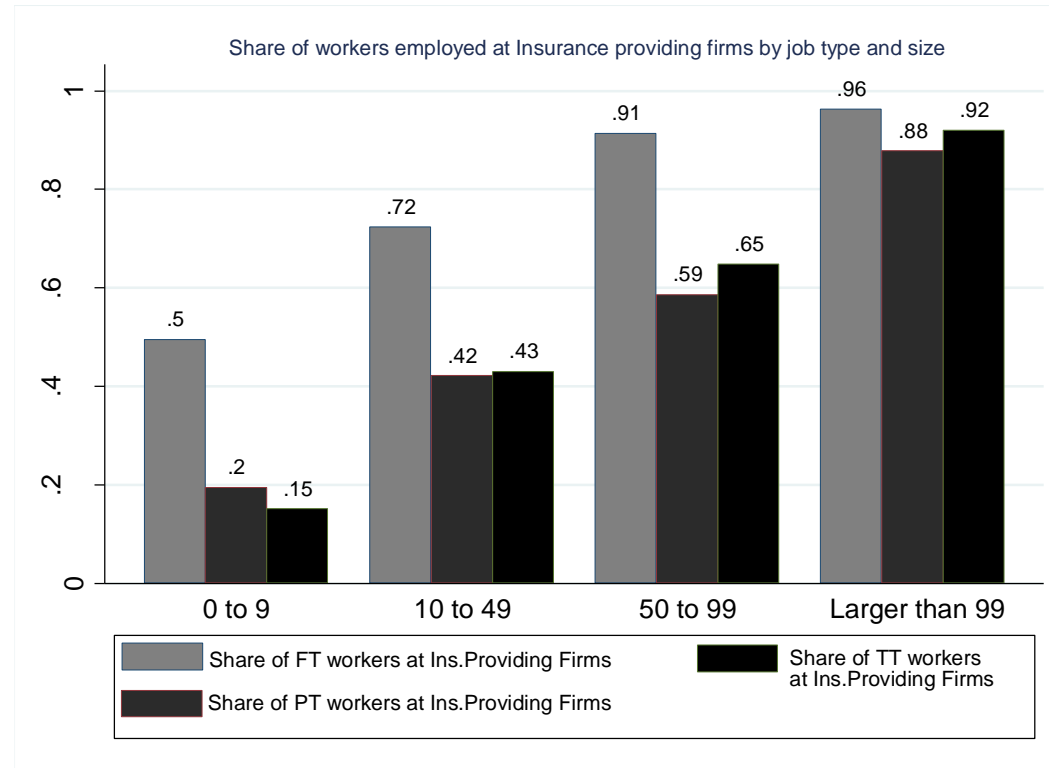
-our business operates on a small margin if they are lucky...one more expense would force most of our industry to operate in the red .

-This is a remote village where economy is depressed, revenues limited, annual losses, other income not stable but keep company going.

-Our company has a very small profit margin.



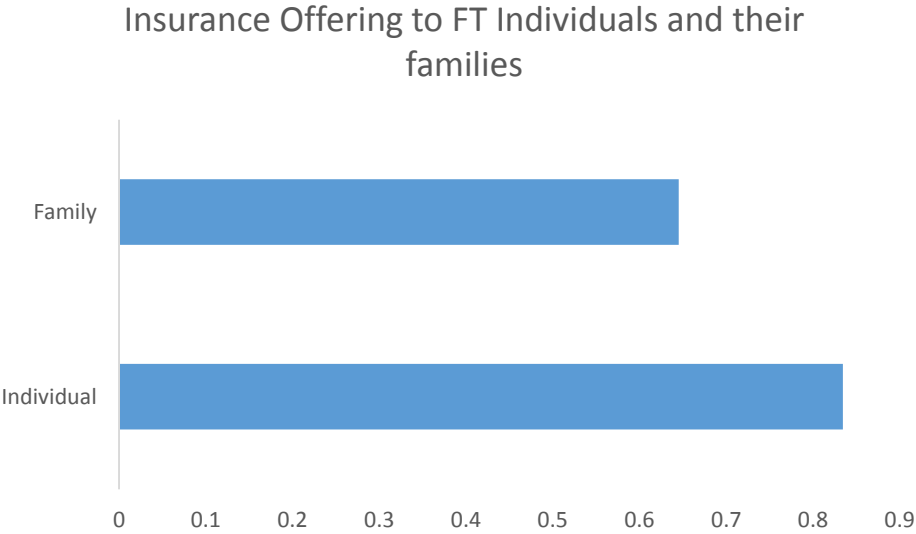
## How much of Alaska's Labor works at Benefit Providing Firms



Given that most large firms offer insurance, the majority of workers employed in a firm with more than 99 workers irrespective for their type are in an insurance offering setting.

# Insurance Offerings to Full Time Employees and their families

Full Time		
	Individual	Family
Health Insurance	<u>0.84</u>	<u>0.65</u>



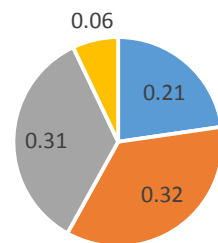
# Select Insurance Offering to FT employees and their families



	Full Time	
	Individual	Family
<u>Audio Insurance</u>	<u>0.09</u>	<u>0.086</u>
<u>Dental Insurance</u>	<u>0.68</u>	<u>0.54</u>
<u>Vision Insurance</u>	<u>0.53</u>	<u>0.45</u>

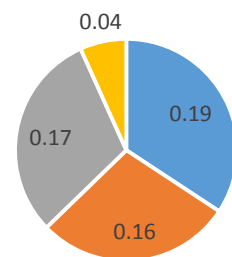
# Offering of Select Benefit to Full Time employees and Their families

Full Time Employees



- EAP(individual)
- Short Disability Coverage(Ind)
- Long Disability Coverage(Ind)
- Long Term Care Insurance (ind)

Families of FT Employees



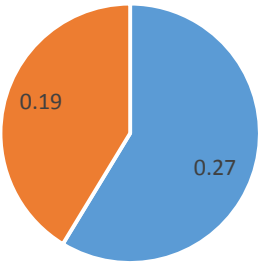
- EAP(Family)
- Short Disability Coverage(fam)
- Long Disability Coverage (fam)
- Long Term Care Insurance (Fam)

	Full Time	
	Individual	Family
EAP	<u>0.21</u>	<u>0.19</u>
Short Term Disability	<u>0.32</u>	<u>0.16</u>
Long Term Disability	<u>0.31</u>	<u>0.17</u>
Long Term Insurance	<u>0.06</u>	<u>0.04</u>

# Health Flexible Spending and Reimbursement Accounts

	Full Time	
	Individual	Family
Health Reimbursement Account	0.19	0.13
Health Flexible Spending Account	0.27	0.17

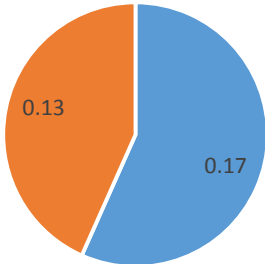
Full Time Employees



■ Health Flexible Spending Account ■ Health Reimbursement Account

Health Benefit Offerings to Full Time Employees by Size				
	0 to 9	10 to 49	50 to 99	Larger than 99
Health Flexible Account	0.27	0.23	0.26	0.467
Health Reimbursement Account	0.17	0.20	0.27	0.23

Families of FT Employees

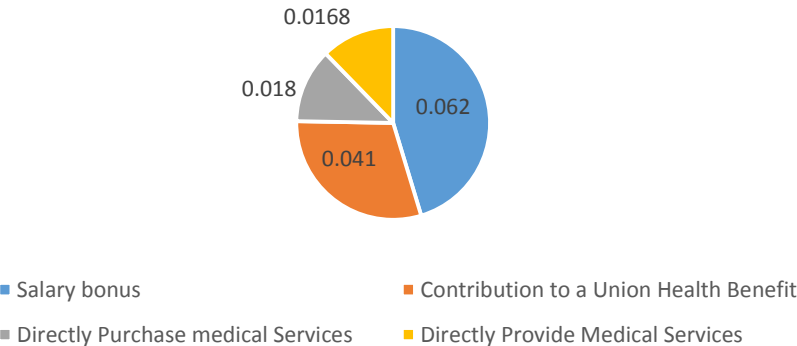


■ Health Flexible Spending Account ■ Health Reimbursement Account

# Alternative forms of providing services

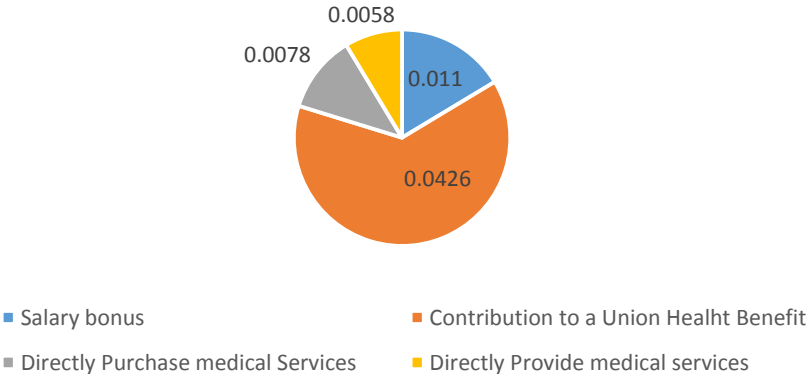
Full Time		
	Individual	Family
Salary bonus	0.06	0.011
Contribution to Union Health Benefit Trust	0.04	0.042
Directly Purchase Medical Services	0.018	0.007
Directly Provide Medical Services	0.016	0.005

Full Time Employees



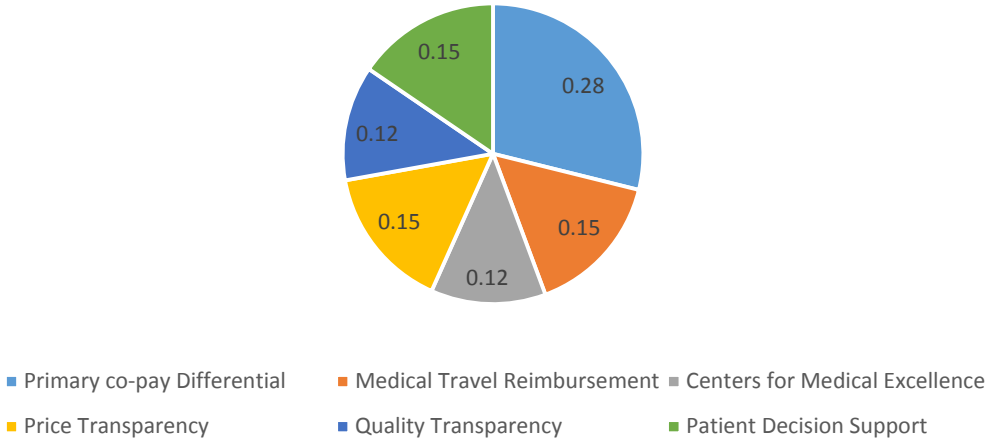
Health Benefit Offerings to Full Time Employees by Size of Firm				
	0 to 9	10 to 49	50 to 99	Larger than 99
Salary Bonus	0.0504	0.0849	0.0349	0.0484
Contribution to Union Health Benefit	0.033	0.0425	0.0523	0.0806
Directly Purchase Medical Services	0.0168	0.0189	0.0116	0.0269
Directly Provide Medical Services	0.004	0.037	0.0058	0.0323

Families of FT Employees



# Plan Features

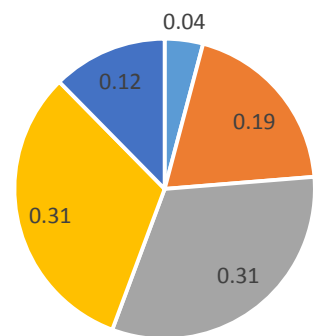
Benefits Offered			
	Yes	No	No Response
Primary co-pay Differential	0.28	0.60	0.12
Medical Travel Reimbursement	0.15	0.72	0.12
Centers for Medical Excellence	0.12	0.75	0.13
Price Transparency	0.15	0.71	0.13
Quality Transparency	0.12	0.75	0.13
Patient Decision Support	0.15	0.71	0.14



# Importance of Wellness Programs

Importance of wellness:	
	Proportion
No Response	.04
Very Important	.19
Important	.31
Somewhat important	.31
Not Important	.12

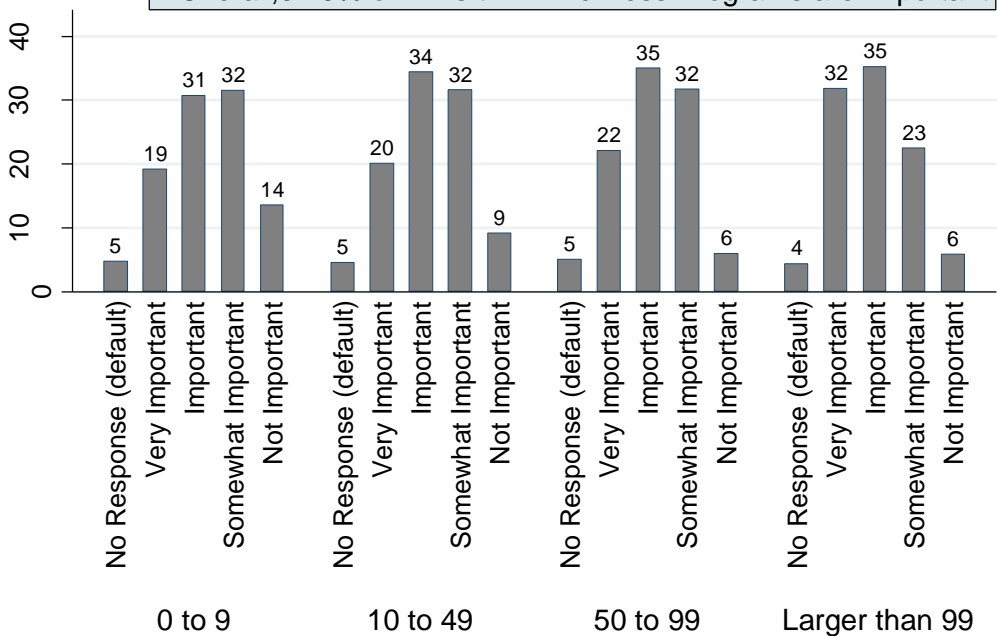
Importance of Wellness Programs



■ No Response      ■ Very Important      ■ Important  
■ Somewhat Important      ■ No Important

Importance of Wellness Programs by Size, 2013

Overall, 31.9% of firms think Wellness Programs are Important

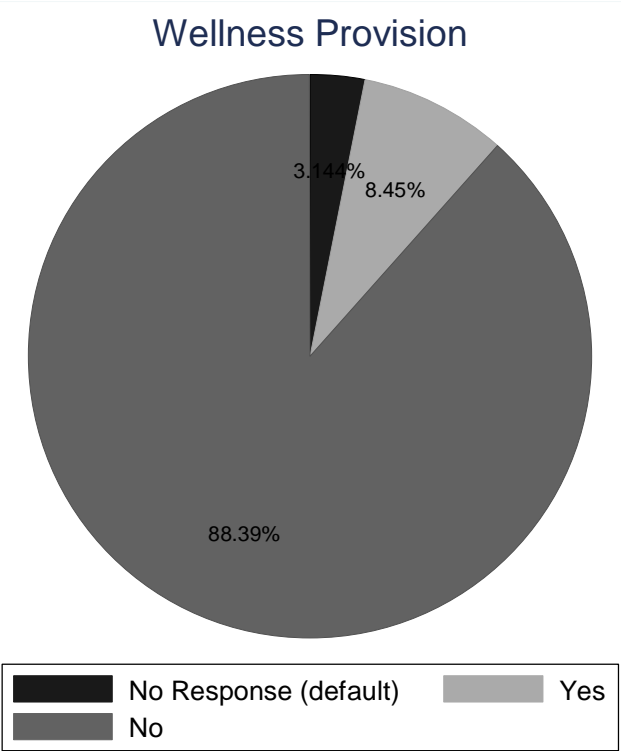




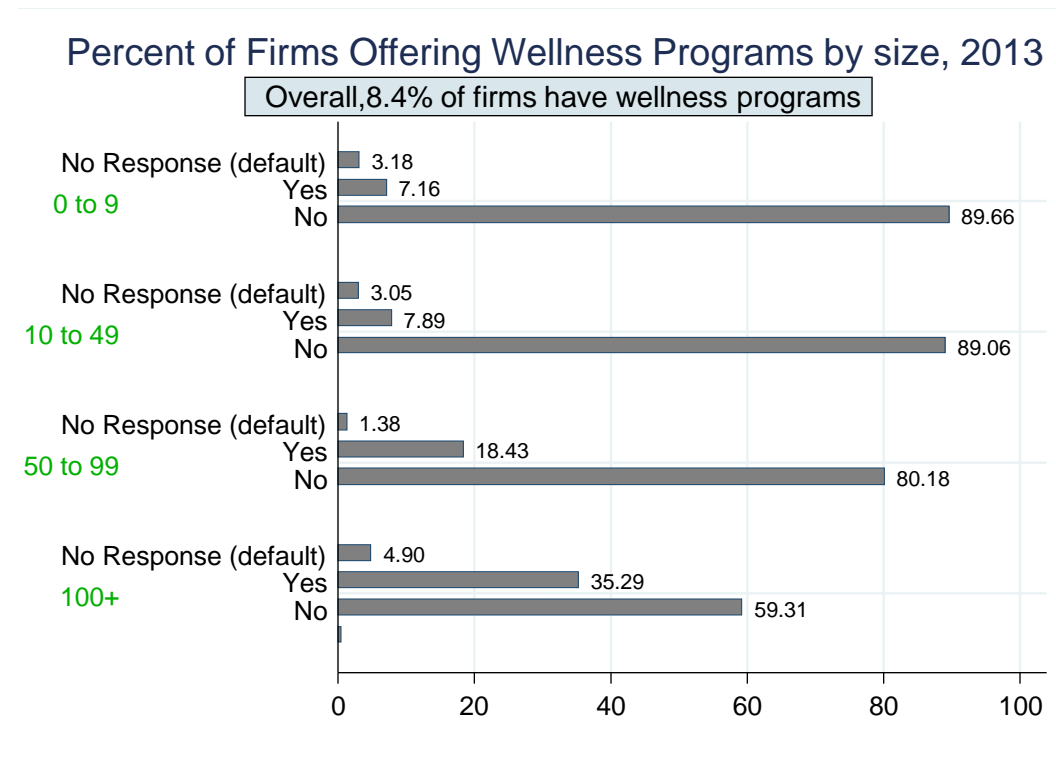
# Wellness Provision

Existence of a wellness program:

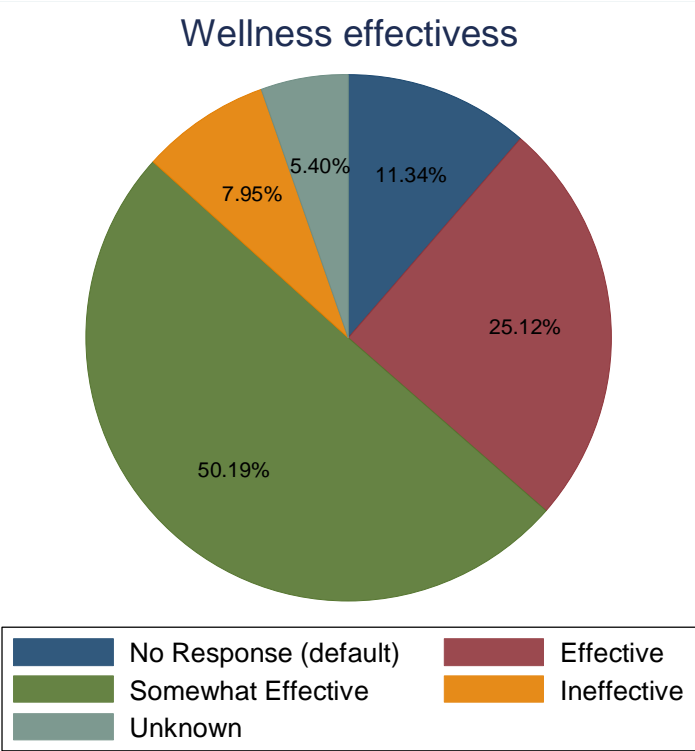
	Proportion	[95% Conf. Interval]	
No Response	0.03	0.02	0.04
Yes	<u>0.08</u>	0.07	0.10
No	0.88	0.86	0.90



## Wellness Offer Rates by Size



# Perceptions regarding Effectiveness

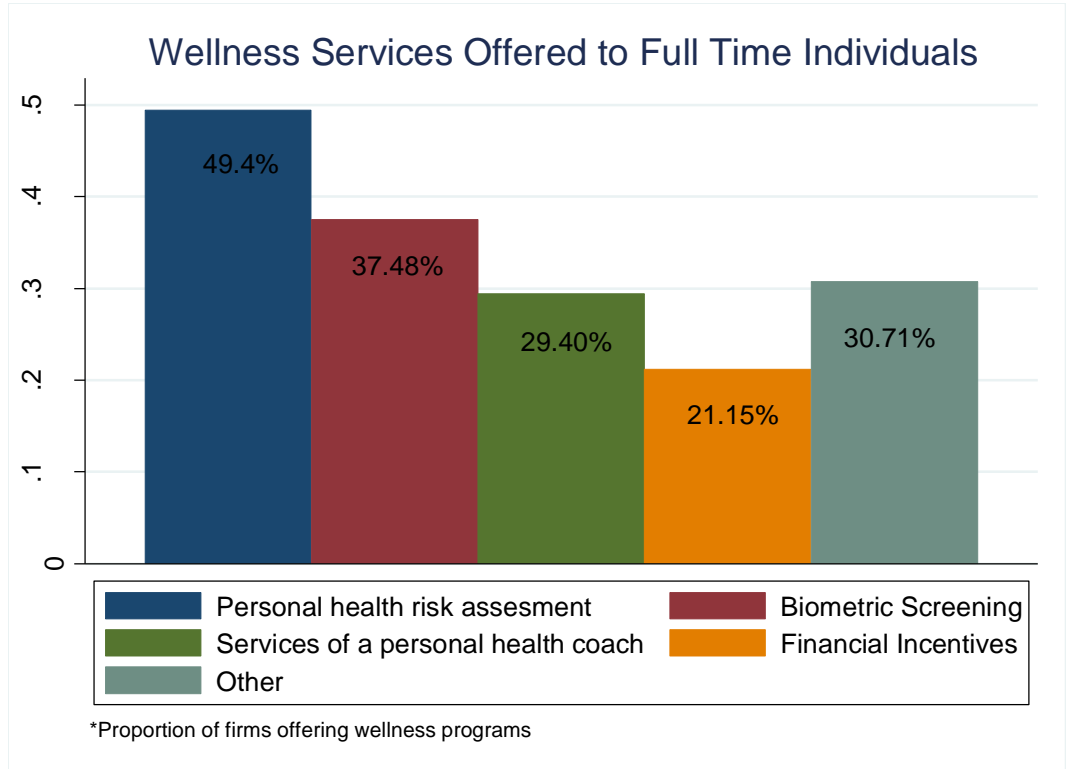


	Effective	Somewhat Effective	Ineffective	No Response	Unknown
Wellness Effectiveness	0.25 [0.16-0.35]	0.5 [0.40-0.61]	0.08 [0.02-0.14]	0.11 [0.04-0.18]	0.05 [0.03-0.08]

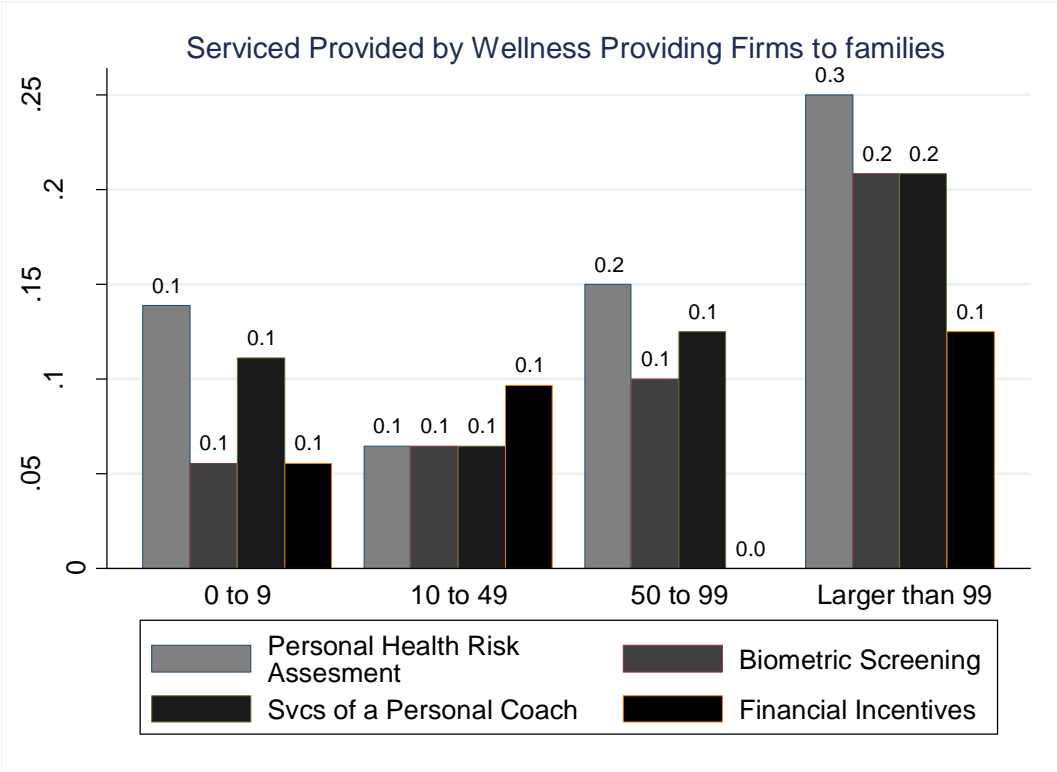
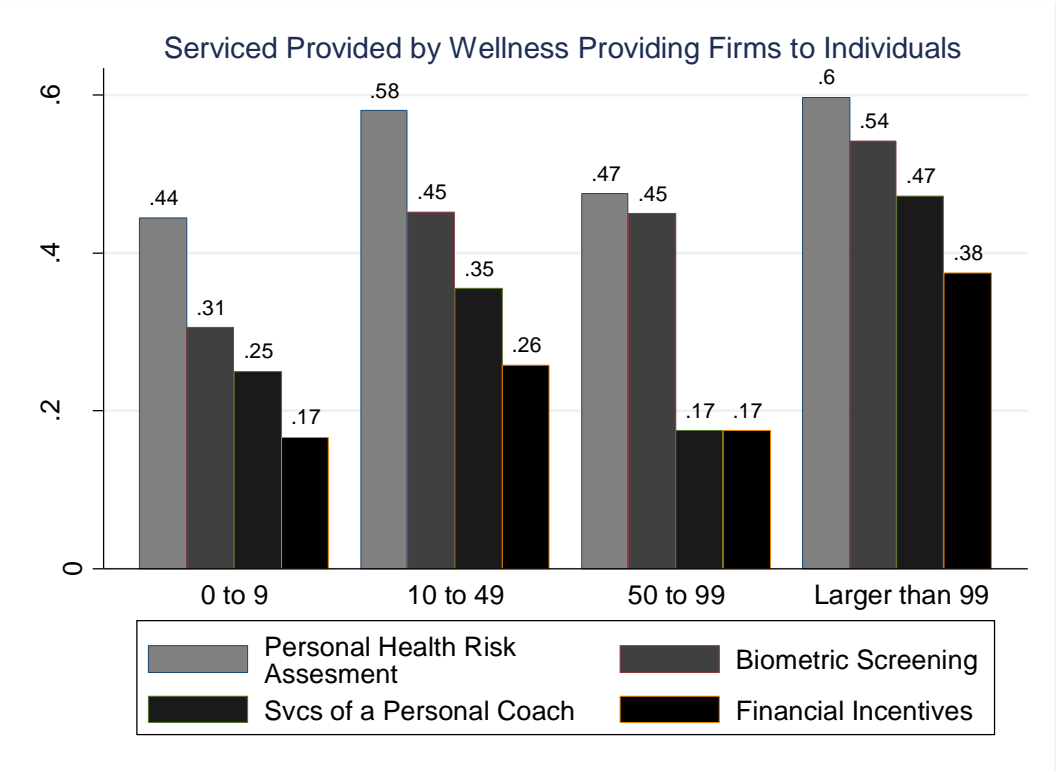
## Wellness Services Offered

Services offered to Individuals and Families:

	Individual	Family
Personal Health Risk Assessment	0.5 [0.4-0.61]	0.14 [0.06-0.21]
Biometric Screening	0.38 [0.27-0.48]	0.08 [0.03-0.13]
Services of a Personal Health Coach	0.29 [0.20-0.39]	0.11 [0.05-0.18]
Financial Incentives	0.21 [0.13-0.29]	0.07 [0.02-0.12]
Other	0.31 [0.21-0.41]	N.A



# Wellness Services Offered by Size



## Conclusion

- This survey provides a snapshot of the:
  - Insurance offerings, wellness programs, and the features included in the health plans.

Amongst our many findings :

- Large firms are more likely to provide health benefits.
- Employment status(FT/PT/TT) influences the likelihood of being offered insurance.
- Cost remains the most important impediment to insurance offering.
- Most Firms believe Wellness programs are important to improving productivity but few of them offer them.